

Message Text

UNCLASSIFIED

PAGE 01 PRETOR 00312 171610Z
ACTION CPR-01

INFO OCT-01 AF-10 ISO-00 L-03 TRSE-00 PER-05 A-01
/021 W

-----031486 172315Z /14

R 171455Z JAN 78
FM AMEMBASSY PRETORIA
TO SECSTATE WASHDC 0232

UNCLAS PRETORIA 0312

E.O. 11652: N/A
TAGS: PDIP, SF
SUBJ: TAX EMEMPTIONS

REF: STATE 305167

1. SOUTH AFRICA DOES NOT HAVE A RETAIL SALES TAX AT EITHER THE NATIONAL OR LOCAL LEVEL. IT DOES HAVE AN EXCISE TAX AND SALES DUTY TAX WHICH ARE PAID BY THE MANUFACTURER AND ARE BASED ON THE MANUFACTURER'S WELLING PRICE. AT THE WHOLESALE AND RETAIL LEVEL, THESE TAXES ARE INCORPORTATED IN THE SELLING PRICE OF THE ARTICLE AND ARE NOT IDENTIFIED SEPARATELY. ARTICLES COVERED BY THE EXCISE TAX AND SALES DUTY ARE A RANGE OF LUXURY AND NON-ESSENTIAL CONSUMER GOODS. REBATES ON THE EXCISE TAX AND SALES DUTY ARE PROVIDED TO DIPLOMATIC PERSONNEL, CAREER CONSULAR PERSONNEL, TRADE COMMISSIONERS, PRESS AND INFORMATION OFFICERS ATTACHED TO CONSULATES AND FAMILIES OF FOREGOING. REBATE IS OF LIMITED PRACTICABLE VALUE SINCE IT IS PAYABLE ON DOMESTICALLY MANUFACTURED GOODS ONLY WHEN ITEM IS PURCHASED FROM THE MANUFACTURER AS THIS IS THE ONLY POINT TAX IS IDENTIFIED. EXEMPTION AUTHORITY IS SCHEDULE 7, ITEMS 70202 AND 70205 OF CUSTOM AND EXCISE ACT OF 1964.

2. THE SOUTH AFRICAN GOVERNMENT HAS ANNOUNCED THAT IT
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PLANS TO INTRODUCE A BROAD BASED RETAIL SALES TAX IN 1978, PROBABLY AFTER THE BUDGET PRESENTATION ON MARCH 30. FROM INFORMAL DISCUSSIONS WITH OFFICIALS IN THE SA DEPARTMENT OF FOREIGN AFFAIRS WE UNDERSTAND PLANS ARE BEING MADE TO INCLUDE PROVISION FOR REBATES FOR DIPLOMATIC AND CONSULAR PERSONNEL ON NEW SALES TAX. HOWEVER, TAX PROVISIONS ARE STILL IN DRAFTING STAGE AND

OFFICIALS ARE NOT IN POSITION TO GIVE AUTHORITATIVE
INFORMATION AT THIS POINT. BOWDLER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TAX RELIEF
Control Number: n/a
Copy: SINGLE
Draft Date: 17 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PRETOR00312
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780025-0676
Format: TEL
From: PRETORIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780155/aaaabudc.tel
Line Count: 64
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b1cbcfe2-c288-dd11-92da-001cc4696bcc
Office: ACTION CPR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 305167
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28 feb 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3762499
Secure: OPEN
Status: NATIVE
Subject: TAX EMEMPTIONS
TAGS: PDIP, SF
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b1cbcfe2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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